

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2745 - SB 2663

February 12, 2010

SUMMARY OF BILL: Decreases the rate charged to certain drivers for license reinstatement who have had no felony or misdemeanor convictions for a period of ten years prior to reinstatement.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – Net Impact - \$8,331,000/Recurring

**Increase State Expenditures - \$62,000/One-Time
\$335,800/Recurring**

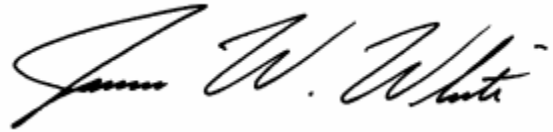
Assumptions:

- According to DOS, the current average revenue is \$154.81 per reinstatement. This bill would reduce that average to \$65 per reinstatement.
- According to DOS, approximately 100,000 drivers currently pay reinstatement fees each year. An additional 10,000 drivers are estimated to pay reinstatement fees each year under this bill.
- Based on information provided by DOS, there will be a decrease in recurring state revenue of approximately \$8,981,000. The additional 10,000 reinstatements will increase revenue by approximately \$650,000. The net impact on recurring state revenue will be a decrease of \$8,331,000.
- The Department of Safety (DOS) would conduct background checks on approximately 110,000 drivers affected by this bill.

- Based on information provided by DOS, 11 additional Safety Examiner 2 positions will be needed to conduct background checks. The average increase in recurring expenditures from one additional position will be \$30,525 (\$20,615 salary + \$7,010 benefits + \$2,900 recurring operational expenditures). The total increase in recurring expenditures associated with adding eleven new positions will be approximately \$335,800. One-time expenditures associated with these positions are approximately \$62,000 (computer equipment, telephone, office supplies, and office space).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/jaw